

The City Council met in special session at the hour of 7:35 a.m. in the Council Chamber, City Hall, on the day above written for continued consideration of the FY 2004 City of Fresno Budget.

Present:	Brian Calhoun	Councilmember
	Brad Castillo	Acting Council President
	Mike Dages	Councilmember
	Jerry Duncan	Councilmember
	Henry Perea	Councilmember
	Cynthia Sterling	Councilmember
	Tom Boyajian	Council President

Dan Hobbs, City Manager
Andy Souza, Assistant City Manager
Hilda Cantu Montoy, City Attorney
Becky Klisch, City Clerk
Rene Smith, Budget Manager
Yolanda Salazar, Assistant City Clerk

Councilmember Sterling led the Pledge of Allegiance to the Flag.

(7:30 A.M.) CONTINUED CONSIDERATION OF THE FY 2003-2004 CITY OF FRESNO BUDGET

(A) DELIBERATIONS ON THE FY 04 BUDGET - HEARING CLOSED ON JUNE 24, 2003

1.* RESOLUTION - ADOPTING THE FY2004 CITY OF FRESNO BUDGET, INCLUDING THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) BUDGET AND THE ANNUAL APPROPRIATION RESOLUTION (AAR)

a. * RESOLUTION 2003-207 - AUTHORIZING THE CITY MANAGER TO SUBMIT THE FY 2004 ANNUAL ACTION PLAN TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FOR USE OF CDBG, HOME, AND ESG PROGRAM FUNDS, AND AUTHORIZING THE CITY MANGER TO SIGN ALL HUD DOCUMENTS AND AGREEMENTS

2. * RESOLUTION - ADOPTING THE FY 2004 POSITION AUTHORIZATION RESOLUTION (PAR)

3. * RESOLUTION - ADOPTING THE 409TH AMENDMENT TO THE MASTER FEE SCHEDULE (MFS) RES. 80-420 (ANNUAL AMENDMENT)

4. * BILL FOR INTRODUCTION AND ADOPTION ADOPTING THE PROPERTY TAX OVERRIDE (PTO) ORDINANCE

5. SELECTION OF METHODOLOGY FOR DETERMINATION OF FY 2004 GANN APPROPRIATION LIMIT

6. * RESOLUTION - ESTABLISHING RULES FOR THE APPLICATION OF CITY EMPLOYEE COMPENSATION RATES AND SCHEDULES AND RELATED REQUIREMENTS, AND ESTABLISHING COMPENSATION RATES AND SCHEDULES (FY 04 SALARY RESOLUTION)

(B) BILLS FOR INTRODUCTION RELATING TO RECOVERY OF COSTS AND PENALTIES INCURRED OR IMPOSED

1. * BILL - ADDING ARTICLE 20 TO CHAPTER 6 OF THE FRESNO MUNICIPAL CODE RELATING TO HAZARDOUS SPILLS EXPENSE RECOVERY

2. * BILL - AMENDING SECTIONS OF THE FRESNO MUNICIPAL CODE RELATING TO RECOVERY OF COST AND PENALTIES INCURRED OR IMPOSED IN ENFORCEMENT OF NUISANCE ABATEMENT ACTIONS

(C) RESOLUTION NO. 2003-208 - CREATING A BLUE RIBBON COMMISSION TO CONDUCT A REVIEW OF CURRENT CITY POLICIES AND PROCEDURES RELATING TO THE PRESERVATION OF HISTORIC STRUCTURES AND BUILDINGS IN THE CITY OF FRESNO AND TO MAKE RECOMMENDATIONS FOR IMPROVING HISTORIC PRESERVATION POLICIES

(D) CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - CASE NAME: CITY OF FRESNO, FRESNO RECREATIONAL FACILITIES FINANCING AUTHORITY, A JOINT EXERCISE OF POWERS AGENCY V. PETER T. STRAVINSKI, KIMBERLY D. STRAVINSKI, ET AL. (PALM LAKES)

(E) CLOSED SESSION ANNOUNCEMENT (IF ANY)

ANNOUNCEMENTS

Budget Manager Smith announced action taken in closed session on June 24, 2003, resulted in the following change to the proposed budget: The Council appropriated and encumbered \$1.25 million in the Planning & Development Department/Professional and Consulting Services line item and explained the reasons therefor; noted the Council Motion Funding Effects had been distributed and relative to Motion #4 advised the funding effect (previously unknown) was determined to be \$258,000; relative to Motion #23, postponement of Public Works Project 206, advised the estimated amount was \$1,222,000; advised the Motions List had been redistributed with one change on Page 4 relative to Motion #34 to reflect action had already been taken on the Convention Center issue, and noted a letter from Rick Lehman had been distributed relative to the services he provides to the city of Fresno.

City Attorney Montoy spoke to the procedure for the meeting and to the items/actions before Council this date; relative to Motion #7 advised it was more of a policy type motion and recommended it be placed on a future agenda as it would not impact the budget, with Councilmember Dages concurring and removing the motion from the list; relative to Motion #27 clarified only the city manager could increase or decrease the salary and the budget was not self-executing; relative to Motion #37 recommended the motion be discussed as a justification for the position (and not discuss by name/incumbent); and relative to Motion #45 advised the funds would require appropriation votes and five affirmative votes if the money is placed in a contingency fund to determine what to fund later, and responded to questions and/or clarified issues throughout.

Councilmember/Budget Committee spokesman Perea thanked committee members Dages and Boyajian and the administrations for making department heads available, and advised of the process the budget committee was recommending as follows: (1) the motion-maker can withdraw or amend a motion (with concurrence of the second-maker), (2) motions will be addressed on a one-by-one basis with Council remarks limited to three minutes and each Councilmember speaking only once to each issue; (3) Council may address the cumulative impact of approved motions and take action if necessary, and (4) after addressing all motions Council may, either by a single motion and vote or by separate motions and votes, adopt the enabling documents (#A-1 through #A-6) as outlined above.

On motion of Councilmember Dages, seconded by Councilmember Sterling, duly carried, RESOLVED, the process as outlined by Councilmember Perea hereby approved, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

MOTION DELETIONS AND ADDITIONS:

MOTION #37 - FUND THE ECONOMIC DEVELOPMENT DIRECTOR POSITION FOR ONE MONTH WITH THE REMAINDER PLACED IN CONTINGENCY UNTIL THE DIRECTOR PRESENTS A SPECIFIC PLAN OF ACTION - DAGES/CASTILLO

Removed from the list.

MOTION #9 - REQUEST LETTERS OF COMMITMENT FROM OTHER GOVERNMENTS TO CONTRIBUTE TO THE REGIONAL JOBS INITIATIVE - PEREA/BOYAJIAN

Removed from the list with Councilmember Perea explaining why.

MOTION #23 - POSTPONE PW00206 (KINGS CANYON & CHESTNUT) AND INSTEAD MOVE UP SIGNAL LIGHTS AT JENSEN & WILLOW (\$187,000), JENSEN & PEACH (\$185,000), LEFT TURN SIGNAL PHASING AT JENSEN & CEDAR (\$150,000), AND CONCRETE ON WILLOW BETWEEN HEATH AND HAMILTON (\$179,000) - DAGES/DUNCAN

Councilmember Duncan withdrew his second stating this would not be legally permissible and brief discussion ensued with Transportation Manager Madewell clarifying issues and responding to questions. Councilmember Dages withdrew the motion and stated he would work with staff on the issue.

ADD MOTION - DAGES/CASTILLO - FUND THE CONVENTION & VISITORS BUREAU FOR SIX MONTHS OR UNTIL TRANSITION WITH GLOBAL SPECTRUM

Councilmember Calhoun questioned the cost and funding source with Councilmember Dages responding it would be approximately \$200,000 to \$400,000 and he would rely on staff to identify a funding source. Councilmember Calhoun spoke to the process and adding motions stating staff or the public will not have an opportunity to address the issue, with City Attorney Montoy stating adding motions was within the parameters of the budget and deliberations and was lawful and explained. Councilmember Calhoun stated he strongly disagreed and felt the public was being cheated. President Boyajian added it had previously been explained that motions could be added or subtracted on the last day.

ADD MOTION - PEREA/CASTILLO - FULLY FUND THE READY PROGRAM WITH FUNDING FOR OUTSIDE CONSULTANTS WITH THE CITY MANAGER TO DETERMINE WHICH CONSULTANTS TO DO WITHOUT (Discussed again later)

Briefly explained by Councilmember Perea with City Manager Hobbs adding Council needed to keep in mind what consultants were used for and explained.

Ms. Montoy clarified (1) relative to the CVB motion, funds were included in the Global proposal to fund the CVB for one year so no additional funds were being added, and (2) relative to the above READY motion clarified Council needed to specify a funding source when adding motions (noting staff could have been directed to look for funds if the motion had been made earlier).

President Boyajian made a motion to take \$400,000 from the DIP, DAP and LIHP programs and place those funds in Housing Minor Rehab program, which motion was seconded by Acting President Castillo. Discussion ensued on an earlier motion suggested by Acting President Castillo to take \$800,000 from the programs whereupon Acting President Castillo made a motion to take \$800,000 from DIP, DAP and LIHP and place those funds in Minor Rehab. President Boyajian noted a change had occurred in the housing program director position and made a motion to have the Housing Task Force review the funds for the vacant Housing Director position. Brief discussion ensued with Mr. Hobbs speaking to the need for the funds to carry out the housing program, and Planning & Development Director Yovino speaking to the modifications to the DIP, DAP and LIHP budgets and requested clarification on Acting President Castillo's \$800,000 motion. Mr. Hobbs added there was a need to maintain a high level manager type position in the planning and development department. Acting President Castillo made an amendment to his motion for \$600,000 instead of \$800,000 and President Boyajian spoke to his motion and requested the motions be combined and the amount be modified to \$500,000 as a good balance and explained.

ADD MOTION - CASTILLO/STERLING - TAKE \$500,000 FROM DIP, DAP AND LIHP AND PLACE IT IN THE MINOR REHAB PROGRAM

Mr. Hobbs recommended a workshop be held to explain why Council feels DIP, DAP and LIHP resources need to be moved before moving the money around. President Boyajian stated there would still be significant money in DIP and DAP to do what Council wanted, spoke briefly to the housing program, and clarification was made on the motion. Councilmember Calhoun stated this was a perfect example of his concern with the process and no staff or public input, stated he would abstain in voting and he would not participate in the "charade" of allowing motions to be made on the day they will be voted upon, cautioned Council about moving forward on anything this date, and strongly protested to the city attorney that what Council was doing was patently illegal.

MOTION #21 - FUND \$150,000 TO TREE FRESNO WITH FUNDING TO COME FROM A REDUCTION IN \$302,100 OF THE FUNDS SET ASIDE FOR MEDIAN ISLAND LANDSCAPING - BOYAJIAN/STERLING

President Boyajian stated Tree Fresno was in support of the city's funding proposal and removed the motion from consideration.

COUNCIL BUDGET DELIBERATIONS:

Mayor Autry thanked Council on their decision to out-source the Convention Center stating it was a great day for Fresno; thanked Councilmember Dages for removing the economic development direction motion and Councilmember Perea for the Regional Jobs Initiative; spoke to the Council's nine priorities stating they were valued and were figured into the budget; stated he presented a good, strong plan and expressed concern stating there appeared to be an assault on his and the city's priorities and elaborated on specific motions (**2 - 0**); stated there were challenges to be faced that could not be faced divided, urged Council to reconsider the motions, and concluded stating today was a chance to show the city and the region "Team Fresno" was intact, with President Boyajian responding.

MOTION #1 - APPROVE MASTER FEE SCHEDULE (MFS) AMENDMENTS RELATED TO POLICE DEPARTMENT

Councilmember Duncan made a motion to approve and Councilmember Calhoun requested an electronic vote.

A motion of Councilmember Calhoun, seconded by Councilmember Duncan, to vote electronically failed, by the following vote:

Ayes : Calhoun, Duncan
 Noes : Castillo, Dages, Perea, Sterling, Boyajian
 Absent : None

On motion of Councilmember Duncan, seconded by President Boyajian, duly carried, RESOLVED, Motion #1 hereby approved, by the following vote:

Ayes : Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
 Noes : None
 Absent : None

MOTION #2 - FEE FOR DISTURBANCE: RETURN WITH REVISED FEE, POSSIBLY STATING NO FEE FOR FIRST INCIDENT, BUT IF SECOND OR SUBSEQUENT, THEN CITY CAN GO BACK AND CHARGE FOR THE FIRST INCIDENT

Acting President Castillo explained the motion, made a motion to approve, and presented questions relative to whether there would be a code amendment, if it was legally permissible to include this new fee without informing the public about consequences of their actions, and how the department would deal with alarms going off when people are on vacation, with Ms. Montoy, City Manager Hobbs and Chief Dyer responding. Brief discussion ensued on whether this was consistent with the Motion #1, with Ms. Montoy and Ms. Smith responding and clarifying the motion was permissible.

On motion of Acting President Castillo, seconded by President Boyajian, duly carried, RESOLVED, Motion #2 hereby approved, by the following vote:

Ayes : Castillo, Dages, Perea, Sterling, Boyajian
 Noes : Calhoun, Duncan
 Absent : None

MOTION #3 - MOVE \$130,000 FROM THE HUMAN RELATIONS COMMISSION (HRC) BUDGET TO FIRE DEPARTMENT TO PURCHASE ADDITIONAL TURNOUTS

Councilmember Duncan stated the intent of the motion was to make the HRC to more of a voluntary entity instead of a significant budget issue and apply those funds to desperately needed fire department needs. Brief discussion ensued on what the \$130,000 was spent on, and Councilmembers Sterling and Perea spoke in support of and to the need for an Ombudsman and the HRC.

A motion of Councilmember Duncan, seconded by Councilmember Calhoun, to move \$130,000 from the Human Relations Commission budget to the fire department to purchase additional turnouts failed, by the following vote:

Ayes : Calhoun, Duncan
 Noes : Castillo, Dages, Perea, Sterling, Boyajian
 Absent : None

MOTION #4 - FIRE DEPARTMENT TO CHARGE A \$155 FEE FOR INSPECTIONS ONLY IF THE BUSINESS DOES NOT CORRECT THE VIOLATION PRIOR TO THE REINSPECTION (I.E. THE BUSINESS IS REINSPECTED AND STILL OUT OF COMPLIANCE AND WOULD THEREFORE HAVE TO PAY THE \$155 FEE PLUS THE \$53 REINSPECTION FEE)

Councilmember Dages stated he made the motion because the \$155 fee impacted too many small businesses. Interim Chief Aranaz explained why the fee was being proposed and explained the inspection process. Acting President Castillo presented questions relative to estimated revenue to be derived, percentage to be recouped, administrative costs, why a fee was needed when firefighters were already on regular paid duty while making inspection, and why a fee should be charged to someone willing to comply the first time. Councilmember Dages clarified his intent was to not charge the first time out and added every business deserved the opportunity to make a correction without being cited. Assistant City Manager Souza stated the wording was inconsistent and staff would amend the language to state "no violation/no charge, violation that is fixed/no charge, violation that is not fixed/ full charge". Councilmember Calhoun questioned the fiscal impact to the department's budget with Chief Aranaz and Ms. Smith responding, and Councilmember Calhoun emphasized there would be a significant revenue loss and the change would have a significant impact.

On motion of Councilmember Dages, seconded by Acting President Castillo, duly carried, RESOLVED, Motion #4 hereby approved, by the following vote:

Ayes : Castillo, Dages, Perea, Sterling
 Noes : Calhoun, Duncan, Boyajian
 Absent : None

MOTION #5 - FUND THE SOUND SYSTEM FOR TELEPHONE LINE AND REAR-SCREEN TELEVISION FOR COUNCIL CHAMBERS FROM \$16,7000 OF LINE ITEM 58004 (SPECIAL PROJECTS) THAT WERE IDENTIFIED IN THE GENERAL CITY PURPOSES DEPARTMENT (GCP)

Councilmember Duncan stated this was self-explanatory and there would be no budget impact as this would just move the money from one account to another. Ms. Smith responded to questions of Acting President Castillo relative to the balance in the line item.

On motion of Councilmember Duncan, seconded by Councilmember Calhoun, duly carried, RESOLVED, Motion #5 hereby approved by the following vote **(3 - 0)**:

Ayes : Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
 Noes : None
 Absent : None

MOTION #6 - ADD \$50,000 TO CITY ATTORNEY BUDGET TO INCREASE SALARIES TO ATTRACT TWO ATTORNEYS TO VACANT POSITIONS AND CITY ATTORNEY TO WORK WITH BUDGET TO IDENTIFY FUNDING OPTION

Ms. Montoy, Ms. Smith, Mr. Hobbs and Mr. Souza clarified issues and/or responded to questions of President Boyajian, Acting President Castillo and Councilmember Perea relative to the funding source and if the administration was comfortable with the funding source.

On motion of Councilmember Perea, seconded by Councilmember Sterling, duly carried, RESOLVED, Motion #6 hereby approved, by the following vote:

Ayes : Calhoun, Castillo, Dages, Perea, Boyajian
 Noes : Duncan, Sterling
 Absent : None

MOTION #8 - USE \$56,300 BUDGETED IN GENERAL CITY PURPOSE (GCP), THAT WAS ALSO BUDGETED IN PLANNING, FOR NEIGHBORHOOD PROJECTS

-and-

MOTION #11 - MOVE \$56,300 OF FUNDS BUDGETED IN GCP AND IN OTHER DEPARTMENT BUDGETS AND USE IT TO ASSIST IN THE CONSTRUCTION OF THE COMMUNITY TRAILS

Councilmember Perea stated his motion was self-explanatory. Councilmember Calhoun stated he was also identifying the same funding and he wanted Council to consider the two alternatives and discussion ensued on both options. Councilmember Perea amended his motion to place the funds into contingency until Council makes a determination, with Councilmember Calhoun concurring. Brief discussion ensued on the double-budgeted funds and funding the Columbia Memorial, with Ms. Smith clarifying issues.

On motions of Councilmembers Perea/Calhoun, seconded by Councilmember Dages/President Boyajian, the above Motion Nos. 8 and 11 amended to place the \$56,300 into a contingency account until Council makes a determination on the use of the funds, by the following vote:

Ayes : Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
 Noes : None
 Absent : None

MOTION #10 - DELETE \$40,000 FOR THE COLUMBIA MEMORIAL FROM GCP AND USE IT FUND THE READY PROGRAM

Upon question of Acting President Castillo, Ms. Smith clarified the GCP funds in Motions 8 and 11 were separate from these funds.

On motion of Councilmember Perea, seconded by Acting President Castillo, duly carried, RESOLVED, Motion #10 hereby approved, by the following vote:

Ayes	:	Castillo, Dages, Perea, Sterling, Boyajian
Noes	:	Calhoun, Duncan
Absent	:	None

MOTION #12 - PULL FUNDING FOR THE FRIENDSHIP GAMES, WOW, AND THE CENTRAL CALIFORNIA MAYOR'S CONFERENCE

Upon question of President Boyajian, Acting President Castillo stated he wanted the combined funds put into contingency pending the outcome of the entire budget. Lengthy discussion ensued with Councilmember Sterling questioning what would happen to the events if they are not funded, Councilmember Calhoun expressed his concern with the motion and spoke to the importance of the events stating they were worth the investment, and relative to the Mayor's Conference Councilmember Perea advised he was told the 36 cities in the LCC South San Joaquin Division were not going to participate, with Ms. Smith, Mayor Autry and Mayor Chief of staff White clarifying issues and responding throughout. Councilmember Duncan apologized that the motion even came up and spoke in support of the events, and Acting President Castillo explained his reasons for the motion.

A motion of Acting President Castillo, seconded by Councilmember Sterling, to approve Motion #12 failed, by the following vote:

Ayes	:	Castillo, Dages, Perea
Noes	:	Calhoun, Duncan, Sterling, Boyajian
Absent	:	None

MOTION #13 - MOVE FRESNO COUNTY CHILDREN'S FAMILY AGREEMENT (\$12,200) TO PARKS & RECREATION DEPARTMENT SOCIAL SERVICES

Upon question of Acting President Castillo, Assistant City Manager Souza stated there was a contractual obligation to fund.

On motion of President Boyajian, seconded by Councilmember Sterling, duly carried, RESOLVED, Motion #13 hereby approved, by the following vote:

Ayes	:	Castillo, Dages, Perea, Sterling, Boyajian
noes	:	Calhoun, Duncan
Absent	:	None

MOTION #14 - INCREASE AMOUNT FOR GRANT WRITER PROGRAM IN SOCIAL SERVICES FROM \$50,000 TO \$100,000

Councilmember Duncan spoke in support stating the program was a smashing success **(4 - 0)** with Councilmember Sterling concurring and encouraging support. Councilmember Duncan and Budget Manager Smith responded to questions/comments of Acting President Castillo, Councilmembers Calhoun and Perea, and President Boyajian relative to what the additional funds would do, the grant writer program at Fresno State and suggestion to contact them about a possible partnership, the funding source, how the United Way selects the non-profits and how this increase would help them, amounts the organizations have raised by grants, and if social services funding would be reduced if the motion is approved.

On motion of Councilmember Duncan, seconded by President Boyajian, duly carried, RESOLVED, Motion #14 hereby approved, by the following vote:

Ayes	:	Calhoun, Dages, Duncan, Perea, Sterling
Noes	:	Castillo, Boyajian
Absent	:	None

MOTION #15 - MOVE THE \$25,000 FUNDING FOR THE LEGION OF VALOR MUSEUM FROM LINE ITEM 58002 TO LINE ITEM 58004

Councilmember Duncan stated this would guarantee annual funding and along with Budget Manager Smith responded to questions of Councilmembers Dages and Sterling relative to what department the \$25,000 was coming from, if the funds would from the Human Relations Commission, and the motion being related to Motion #43 and consequence if this motion is approved.

On motion of Councilmember Duncan, seconded by President Boyajian, duly carried, RESOLVED, Motion #15 hereby approved, by the following vote:

Ayes : Calhoun, Dages, Duncan, Perea, Sterling
 Noes : Castillo, Boyajian
 Absent : None

Acting President Castillo questioned when it would be appropriate to request staff to find the money for ongoing funding of the Legion of Valor and Veterans Parade, with Ms. Smith and Councilmember Duncan responding. Upon further question, Ms. Smith advised staff would make this an on-going classification so Council would not go through this situation again next year. Based on that statement Acting President Castillo stated he wanted to change his vote and made a motion to reconsider.

On motion of Councilmember Dages, seconded by Acting President Castillo, duly carried, RESOLVED, reconsideration of Motion #15 hereby approved, by the following vote:

Ayes : Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
 Noes : None
 Absent : None

On motion of Councilmember Duncan, seconded by Councilmember Perea, duly carried, RESOLVED, Motion #15 hereby approved, by the following vote:

Ayes : Calhoun, Castillo, Dages, Duncan, Perea, Sterling
 Noes : Boyajian
 Absent : None

MOTION #16 - REVISIT THE ISSUE OF FIREWORKS AND PROVIDE FUNDING OF \$10,300 FOR THE ANNUAL FIREWORKS AT THE FRESNO FAIRGROUNDS

-and-

MOTION #43 - DEFUND \$30,000 FOR LINE ITEM 58004 FOR SPECIAL PROJECTS IN THE CITY MANAGER'S DEPARTMENT

Briefly reviewed by Councilmember Dages who clarified the funding (\$10,300) for Motion16 would come from the \$30,000 in Motion 43. Councilmember Calhoun stated he felt the Fair Board or any other private group should be the ones to pay and the City should not be in the business of funding fireworks.

On motion of Councilmember Dages, seconded by Acting President Castillo, duly carried, RESOLVED, Motion #16 and Motion #43 hereby approved, by the following vote:

Ayes : Castillo, Dages, Perea, Sterling, Boyajian
 Noes : Calhoun, Duncan
 Absent : None

Upon question of Budget Manager Smith, Councilmember Dages stated the remaining funds would remain in the city manager's office.

MOTION #17 - THE HUMAN RELATIONS COMMISSION (HRC) TO STAY IN CITY HALL AND NOT MOVE TO PARKS AND RECREATION DEPARTMENT

-and-

MOTION #20 - THE HUMAN RELATIONS COMMISSION TO REMAIN IN THE CITY MANAGER'S OFFICE, RECEIVE A BUDGET OF \$193,100 (EQUAL TO THE HRC'S ESTIMATED ACTUAL SPENDING IN FY 2003), AND STAFFING TO REMAIN UNCHANGED

Briefly reviewed by Councilmember Dages who also questioned if it was possible for the HRC to be placed under the City Clerk's office, with City Clerk Klisch responding. Councilmember Calhoun spoke in support of moving the HRC to parks and recreation stating the HRC was an outreach and questioned what better way to reach out than through parks and recreation, and added a change was needed and he felt business as usual with the HRC was unacceptable. Upon the suggestion of President Boyajian, Councilmembers Dages and Sterling agreed to combine Motions 20 and 17. Brief discussion ensued on whether the HRC's location was addressed in the Charter or code. City Manager Hobbs stated he preferred for the city manager's office to stay focused on management issues and suggested, if the HRC does stay under his charge, that Council commit to a workshop with the HRC to talk about their role, mission and work program. Councilmember Sterling spoke in support of the motions and to the role and challenges of the HRC, stated they needed to stay in the City Hall environment and elaborated, and added the HRC was not a recreational organization. Councilmember Perea concurred with Councilmember Calhoun that something needed to change but stated he felt the proposed move would not bring the change Council wanted and added he felt a change would happen through a dialog between Council and the HRC. Ms. Klisch clarified the location of the HRC was made with the initiating motion when the HRC was established and it could be changed.

On motions of Councilmember Dages/Sterling seconded by Acting President Castillo/Councilmember Perea, duly carried, RESOLVED, Motions #17 and #20 hereby approved, by the following vote:

Ayes	:	Castillo, Dages, Perea, Sterling, Boyajian
Noes	:	Calhoun, Duncan
Absent	:	None

MOTION #18 - REJECT THE \$1.00 INCREASE IN THE ADULT FEE FOR SWIMMING POOLS

Budget Manager Smith responded to questions of President Boyajian relative to the cost difference and fiscal impact. Councilmember Calhoun spoke in opposition stating this was a fee for a service and people should pay for what they receive. Brief discussion ensued.

A motion of Councilmember Perea, seconded by Acting President Castillo, to reject the \$1.00 increase in the adult fee for swimming pools failed, by the following vote:

Ayes	:	Castillo, Dages, Perea
Noes	:	Calhoun, Duncan, Sterling, Boyajian
Absent	:	None

MOTION #19 - REJECT THE INCREASE IN ENTRANCE FEES FOR WOODWARD PARK AND THE JAPANESE GARDENS

Councilmembers Duncan and Calhoun spoke in opposition stating maintenance work was desperately needed as the park was older now and this was a fee for service and people needed to pay their fair share. Acting President Castillo spoke in support of the motion stating the increase would set up those people who don't live near the park to pay for the parks' maintenance noting people who do live nearby would not be impacted as they just walk to the park and enter free. Assistant City Manager Souza clarified if approved both fees would be used for specific capital projects within the park and gardens including educational kiosks and some exercise trails.

A motion of Councilmember Perea, seconded by Acting President Castillo, to reject the increase in entrance fees for Woodward Park and the Japanese Gardens failed, by the following vote:

Ayes	:	Castillo, Dages, Perea
Noes	:	Calhoun, Duncan, Sterling, Boyajian
Absent	:	None

MOTION #22 - EXEMPT RESIDENTIAL HOMEOWNERS FROM PAYING PERMIT FEES FOR NEW OR IMPROVED INFRASTRUCTURE, AS AMENDED TO LIMIT TO CDBG/INNER-CITY AREAS

Reviewed by Councilmember Perea who clarified he wanted a no-fee permit for those who want to add infrastructure to their property, i.e. driveway or driveway approach, the same as is given to those who make repairs. Public Works Director Ruiz advised the subsidy would be approximately \$20,000 - \$25,000 annually and upon question of Councilmember Perea stated the subsidy currently for those who fix up their properties was three to four times that amount. Councilmember Duncan questioned whether programs/fee waivers were already in place for selected areas stating his concern was this would be city-wide, with Planning & Development Director Yovino stating there was. Councilmember Duncan encouraged Council to not adopt the motion, stated people should utilize the program already in place, and clarified this may have a reach far beyond areas Council may not want to target. Councilmember Calhoun concurred stating people should pay and added he would not support the motion. Councilmember Perea further clarified the motion, upon question of President Boyajian City Attorney Montoy advised the motion could be limited to CDBG/inner-city areas, whereupon Councilmember Perea amended his motion. Mr. Ruiz clarified this would not apply to new builders coming in with subdivisions.

On motion of Councilmember Perea, seconded by Councilmember Sterling, duly carried, RESOLVED, Motion #22 hereby approved, as amended, to limit to CDBG/inner-city areas, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

A request was made for a recess and brief discussion ensued on continuing the meeting to next week if business is not completed this date.

RECESS - 10:37 A.M. - 10:43 A.M. Acting President Castillo and Councilmember Sterling arrived later.

MOTION #24 - MOVE DISTRICT 6's \$3,800 FOR RECURRING VEHICLE ALLOWANCE TO THE FIRE DEPARTMENT TO PURCHASE NEW TURNOUTS

On motion of Councilmember Duncan, seconded by President Boyajian, duly carried, RESOLVED, Motion #24 hereby approved, by the following vote:

Ayes	:	Calhoun, Dages, Duncan, Perea, Boyajian
Noes	:	None
Absent	:	Castillo, Sterling

MOTION #25 - THE 15% OF COUNCIL INFRASTRUCTURE THAT CAN BE USED FOR NON-INFRASTRUCTURE BE ALLOCATED 100% FOR INFRASTRUCTURE

Briefly reviewed by Councilmember Duncan who stated few members actually use the 15% and stressed infrastructure should be for concrete, sidewalks, etc. Acting Councilmember Perea spoke in opposition stating he would not want to tell anyone what to spend their money on. Councilmember Sterling and Acting President Castillo arrived at 10:44 a.m.

A motion of Councilmember Duncan, seconded by Councilmember Calhoun, to approve Motion #25 failed, by the following vote:

Ayes	:	Calhoun, Duncan
Noes	:	Castillo, Dages, Perea, Sterling, Boyajian
Absent	:	None

MOTION #26 - EXCLUDE SENIOR CITIZEN FUNCTIONS FROM THE \$320.00 POLICE REVIEW FEE

Briefly reviewed by Councilmember Perea who gave an example and added although he understood the concept of the fee and charging "rowdy-type" groups for assessing security he felt senior citizens were not one of those groups.

Discussion ensued. Councilmember Duncan spoke in opposition stating this would be an appropriate use for council infrastructure funds and added his concern was making exceptions here and there and finding it difficult to stop. Councilmember Calhoun also spoke in opposition stating it would be a tricky issue to try to identify a senior event and stated the police department would be put in a position where they would have to be a different kind of cop and explained. Chief Dyer, Assistant City Manager Souza, City Manager Hobbs and Budget Manager Smith responded to questions of President Boyajian relative to fiscal impact, rationale/what the fee was for, if this fee was part of the user fees (**5 - 0**), and what was involved in the processing and what is found in the police review/background check.

On motion of Councilmember Perea, seconded by Councilmember Dages, duly carried, RESOLVED, Motion #26 hereby approved, by the following vote:

Ayes	:	Castillo, Dages, Perea, Sterling, Boyajian
Noes	:	Calhoun, Duncan
Absent	:	None

MOTION #28 - ELIMINATE ANY POSITION THAT WAS NOT FILLED PRIOR TO 12/31/02, AND THE TWO CHIEF OF SOLID WASTE POSITIONS

Reviewed by Councilmember Dages who advised a list was given to Council on all department vacancies and noted 21 positions were shown in the public utilities department as currently not filled by anyone, questioned why positions that had never been filled were even on the list, and stated material submitted by staff had a lot of inaccuracies. Public Utilities Director McIntyre responded stating the confusion was over what was meant by "temporary" and explained. Councilmember Dages apologized to the employees filling the positions and clarified Council was given information that the positions were vacant and pulled his motion. Brief discussion continued, concluded, and discussion ensued again after the following motion was brought forth.

MOTION #27 - INCREASE FUNDING FOR COUNCIL ANALYST BY \$20,000 PER YEAR

Upon question of President Boyajian, City Attorney Montoy stated Council could increase a budget line item but that did not automatically mean the incumbent would get the increase, and clarified the money would be there for a personnel decision in the future. Discussion went back to Motion #28.

MOTION #28 - ELIMINATE ANY POSITION THAT WAS NOT FILLED PRIOR TO 12/31/02, AND THE TWO CHIEF OF SOLID WASTE POSITIONS

Mr. McIntyre responded to questions of Acting President Castillo relative to why people are kept on a part-time basis for so long, why they can't be hired full time if they are capable, and why positions have not been reclassified. Acting President Castillo pointed out Council gave direction to staff to streamline the process and stated something needed to be done. Councilmember Perea added he did not know where the disconnect came from but Council was put in a very awkward position and almost fired some people, with City Manager Hobbs and Mr. McIntyre responding.

MOTION #27 - INCREASE FUNDING FOR COUNCIL ANALYST BY \$20,000 PER YEAR

Upon question of President Boyajian, City Attorney Montoy clarified Council could make a budget decision to increase the line item but could not make the personnel decision to increase the salary. Councilmember Calhoun stated the motion was not in line with what the city attorney stated, clarified Council could only give direction to staff and not tie dollars to it, and spoke in opposition due to the dollar amount attached and because the motion was not properly before Council. President Boyajian responded and pulled the motion for further recommendation or future council item.

MOTION #29 - PUT A HOLD ON THE PROPOSED CATHODE RAY TUBE (CRT) FEE UNTIL A PLAN IS PRESENTED ON HOW THE FEES WILL BE COLLECTED

Acting President Castillo stated he did not receive a report on how the fees would be collected, with Public Utilities Director McIntyre clarifying one was submitted by tray memo, spoke to the intent of the program and disposal, and responded to additional questions. Acting President Castillo stated he did not see how any money could be collected and he saw the fee as useless and explained, and pulled the motion. There

MOTION #30 - ELIMINATE THE OFFICE OF EDUCATION AND THE TWO POSITIONS ASSOCIATED WITH IT

Councilmember Dages stated he did not believe the City belonged in the school district's business, noted the Office of Education had not brought any money into the FUSD or taken any piece of legislation forward, and acknowledged education was important to everyone but stated that was not the point and emphasized the district had elected officials to handle their business. Councilmember Sterling noted she seconded the motion to get some clarity, and advised she got the information she needed and withdrew her second stating the Office of Education would assist her district in some of their needs and explained. Acting President Castillo seconded the motion and presented questions and comments relative to what the plans were for District 3's middle school, what specific role the Office of Education would play in site selection, safety being first and foremost for the community, and need for Council to know what the Office of Education was doing and what the City was getting for it dollars, with Education Advocate Warner and Mayor Autry responding. Acting President Castillo withdrew his second to the motion which was then seconded by President Boyajian. Councilmember Duncan thanked the Office for all they have done.

A motion of Councilmember Dages, seconded by President Boyajian, to approve Motion #30 failed, by the following vote:

Ayes	:	Dages, Boyajian
Noes	:	Calhoun, Castillo, Duncan, Perea, Sterling
Absent	:	None

MOTION #31 - ADD AN ASSISTANT DIRECTOR POSITION TO THE PLANNING & DEVELOPMENT DEPARTMENT WITH 25% OF THAT PERSON'S TIME TO BE DEVOTED TO RAIL CONSOLIDATION

Briefly reviewed by Councilmember Calhoun who also spoke to the importance of rail consolidation and responded to questions of Councilmember Dages relative to funding source. Councilmember Duncan stated he liked the idea of "more horsepower" for the department but he did not feel rail consolidation should be under planning as it was a transportation issue, and stated if the rail consolidation portion was not deleted he could not support the motion. Councilmember Sterling spoke in support of the motion and its' intent.

A motion of Councilmember Calhoun, seconded by Councilmember Sterling, to add an Assistant Director position to the Planning & Development Department with 25% of that person's time to be devoted to rail consolidation failed, by the following vote:

Ayes	:	Calhoun, Sterling
Noes	:	Castillo, Dages, Duncan, Perea, Boyajian
Absent	:	None

MOTION #32 - DELETE THE PAYMENT PLAN PROCESSING FEE

Councilmember Perea explained once code enforcement cites someone they would be charged this fee to set up a payment plan on top of the citation fee. **(6 - 0)** Upon question of President Boyajian, Budget Manager Smith advised the fiscal impact would be \$800.00 and spoke to the intent of the fee. Councilmember Duncan stated it was not fair for taxpayers to subsidize people violating the code and he felt this was an extra deterrent to not violate the code in the first place.

On motion of Councilmember Perea, seconded by Acting President Castillo, duly carried, RESOLVED, Motion #32 hereby approved, by the following vote:

Ayes	:	Castillo, Dages, Perea, Sterling, Boyajian
Noes	:	Calhoun, Duncan
Absent	:	None

MOTION #33 - APPROPRIATE \$100,000 TO THE FINANCE DEPARTMENT, FOR THE PURPOSE OF ESTABLISHING A ONE-CALL CENTER, FROM COUNCIL INFRASTRUCTURE BUDGETS, NOT TO EXCEED \$12,000 PER DISTRICT

Councilmember Calhoun spoke to the success of one-call centers in other cities and to the need to take advantage of technology and added \$12,000 was not that much to make such a major shift in assisting constituents and solving problems.

A motion of Councilmember Calhoun, seconded by Councilmember Duncan, to approve Motion #33 failed, by the following vote:

Ayes : Calhoun, Duncan
 Noes : Castillo, Dages, Perea, Sterling, Boyajian
 Absent : None

MOTION #35 - PLACE INTO CONTINGENCY THE \$300,000 TO ECONOMIC DEVELOPMENT CORPORATION (EDC) UNTIL COUNCIL HEARS A PRESENTATION FROM EDC ON WHAT THEY HAVE ACCOMPLISHED FOR THE CITY

Councilmember Dages stated the motion was self-explanatory. Upon question of Councilmember Duncan, Dave Spaur, Executive Director of the EDC, submitted material to Council and explained what EDC did to address Council's concerns expressed earlier. Councilmember Duncan stated he had the privilege of representing the Council on the EDC for one year and had not heard of any additional concerns, stated EDC had proven itself and there was no need to place their funding into contingency, and requested Council to present any questions or concerns to him as the liaison and he would respond. Councilmember Perea stated inaccurate statements had been made and clarified Council was not pulling the funding adding all that was wanted was a report on what has been happening and what the City was getting for their \$300,000. Councilmember Sterling stated she was comfortable with the organization and spoke briefly to how the EDC works and how they were the front-runner for the city of Fresno. Mr. Spaur responded to questions and comments of Acting President Castillo relative to other organizations also claiming to have produced 2,000 jobs and what role EDC played in that, what company has come to Fresno through EDC's contact and number of jobs created, need to fund someone else if they are bringing in jobs, City Manager Hobbs adding the \$300,000 was buying into a \$1.1 to \$1.3 million economic development enterprise, and Acting President Castillo emphasizing Council needed to know where the jobs were. Upon question of President Boyajian, Mr. Spaur stated he would conduct a workshop to explain and discuss all issues at Council's pleasure, with Councilmember Dages stating that was fine but he still wanted to hold the funds until a workshop was held as he wanted to hold people accountable for what they say.

On motion of Councilmember Dages, seconded by Councilmember Perea, duly carried, RESOLVED, Motion #35 hereby approved, by the following vote:

Ayes : Castillo, Dages, Perea, Boyajian
 Noes : Calhoun, Duncan, Sterling
 Absent : None

a. * RESOLUTION 2003-207 - AUTHORIZING THE CITY MANAGER TO SUBMIT THE FY 2004 ANNUAL ACTION PLAN (AAP) TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FOR USE OF CDBG, HOME, AND ESG PROGRAM FUNDS, AND AUTHORIZING THE CITY MANGER TO SIGN ALL HUD DOCUMENTS AND AGREEMENTS

Assistant City Manager Souza advised the AAP needed to be approved this date and noted it was affected by three of the last four motions made and clarified it was always subject to future amendments.

On motion of Councilmember Calhoun, seconded by Acting President Castillo, duly carried, RESOLVED, the above entitled Resolution No. 2003-207 hereby adopted, by the following vote:

Ayes : Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
 Noes : None
 Absent : None

(C) RESOLUTION NO. 2003-208 - CREATING A BLUE RIBBON COMMISSION TO CONDUCT A REVIEW OF CURRENT CITY POLICIES AND PROCEDURES RELATING TO THE PRESERVATION OF HISTORIC STRUCTURES AND BUILDINGS IN THE CITY OF FRESNO AND TO MAKE RECOMMENDATIONS FOR IMPROVING HISTORIC PRESERVATION POLICIES

City Attorney Montoy advised Item C also needed to be addressed this date so the Armenian Project could proceed, and noted for the record corrections had been made and submitted on Page 6, b.(i).

Councilmember Calhoun expressed concern that the one of the options in the resolution was for the BRC to make a recommendation regarding moving the entire Armenian Church, noted Council was on record in support of only saving the facade of the church and moving it somewhere else, stated if a recommendation were to come back to move the church it would put Council between a rock and a hard place because Council created this commission, and clarified he was in support of the BRC but had a problem with that one provision. Ms. Montoy clarified issues and responded to questions of Acting President Castillo relative to #7 in the resolution (the BRC seeking in-kind and monetary contributions), if there were any ramifications relative to timing, and why a BRC was being formed since Council already took action to only preserve the front portion/facade of the church.

On motion of Acting President Castillo, seconded by Councilmember Sterling, duly carried, RESOLVED, the above entitled Resolution No. 2003-208 hereby adopted, by the following vote:

Ayes : Castillo, Dages, Duncan, Perea, Sterling, Boyajian
 Noes : Calhoun
 Absent : None

Noting Councilmember Calhoun had to leave for a previous commitment and Acting President Castillo wanted to hear the closed session item, brief discussion ensued on whether to continue with the agenda. Councilmember Dages stated he supported continuing with the rest of the agenda and Councilmember Calhoun spoke in strong opposition and in support of reconvening next week.

On motion of Acting President Castillo, seconded by Councilmember Sterling, duly carried, RESOLVED, the FY 2004 Budget meeting continued to Monday, June 30, 2003, at 8:00 a.m., to resume with Motion #36 and the remaining items on the agenda, by the following vote:

Ayes : Calhoun, Castillo, Duncan, Perea, Sterling, Boyajian
 Noes : Dages
 Absent : None

Ms. Montoy clarified all the remaining items were being continued and a new special meeting notice would be issued. Acting President Castillo requested Council go directly into closed session at this time, clarification was made that the vote just taken continued all the items to Monday, and Acting President Castillo made a motion to reconsider. Councilmember Calhoun left at 12:12 p.m. and was absent for the remainder of the meeting.

On motion of Acting President Castillo, seconded by Councilmember Dages, duly carried, RESOLVED, reconsideration of the prior motion hereby approved, by the following vote:

Ayes : Castillo, Dages, Perea, Sterling, Boyajian
 Noes : Duncan
 Absent : Calhoun

On motion of Acting President Castillo, seconded by Councilmember Sterling, duly carried, RESOLVED, Council to convene in closed session at this time and the FY 2004 Budget meeting continued to Monday, June 30, 2003, at 8:00 a.m., to resume with Motion #36 and all remaining items, by the following vote:

Ayes : Castillo, Dages, Perea, Sterling, Boyajian
 Noes : Duncan
 Absent : Calhoun

(D) CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - CASE NAME: CITY OF FRESNO, FRESNO RECREATIONAL FACILITIES FINANCING AUTHORITY, A JOINT EXERCISE OF POWERS AGENCY V. PETER T. STRAVINSKI, KIMBERLY D. STRAVINSKI, ET AL. (PALM LAKES)

The City Council met in closed session in Room 2125 at the hour of 12:15 p.m. to consider the above issue and adjourned thereafter with no announcements.

ADJOURNMENT

There being no further business to bring before the City Council, the hour of 12:30 p.m. having arrived and hearing no objections, President Boyajian declared the budget meeting continued to June 30, 2003, at 8:00 a.m. and the special meeting adjourned.

APPROVED on the ____15th____ day of July, 2003.

_____/s/_____
Tom Boyajian, Council President

ATTEST:_____/s/_____
Yolanda Salazar, Assistant City Clerk

141-297

6/27/03